

MINUTES
MONTANA HISTORICAL SOCIETY
BOARD OF TRUSTEES MEETING
January 15, 2010
Auditorium at MHS, Helena, Montana

In attendance were Montana Historical Society Board of Trustees members Jim Murry, Steve Carney, Sharon Lincoln, Jack Lepley, Lee Rostad, Ed Smith, Kent Kleinkopf, Lee Rostad, Steve Lozar, Janene Caywood and Crystal Wong Shors. Also in attendance were MHS Director Richard Sims, MHS Administrative Assistant Renee Podell, MHS Administrator Denise King, MHS Museum Program Manager Bill Mercer, MHS Outreach and Interpretation Program Manager Kirby Lambert, MHS Interpretive Historian Ellen Baumler, MHS Membership Coordinator Kim Ramuta, MHS Publications Program Manager Molly Holz, MHS State Historic Preservation Program Manager Mark Baumler, MHS National Registrar Coordinator John Boughton, MHS Research Center Manager Molly Kruckenberg, MHS Public Relations Coordinator Tom Cook and MHS Special Projects Manager Susan Near.

CALL TO ORDER

President Jim Murry called the meeting to order at 9:00 a.m.

REVIEW OF MINUTES

Sharon Lincoln moved approval of the minutes from the October 15, 2009 meeting. Kent Kleinkopf seconded the motion and the motion carried unanimously. Sharon Lincoln moved approval of the minutes from the Special Meeting held November 5, 2009. Kent Kleinkopf seconded the motion and the motion carried unanimously.

CENTRALIZED SERVICES/FINANCIAL REPORT-Denise King

Denise presented the financial schedules for FY 2010 through December 31, 2009. She noted the cash issue has been discussed over the last few Board meetings. The projected cash short fall is \$66,000. In November, all staff presented a list of ideas on how MHS can increase cash flow. Denise gave ideas of appropriate rate adjustments in personal services. Denise commented that she and Richard met with the MEA-MFT union. Discussion included how MHS can promote services to the union membership. MEA-MFT agreed to help with the membership drive, Richard will write an article for the MEA-MFT newsletter. Medallions were also purchased by the union. Denise and Richard met with the Secretary of State's office which is willing to partner with MHS in promoting services. The Chamber of Commerce has purchased medallions to give out at their awards ceremony. Denise further reported that a meeting was held with Jim Foley, Vice President of the University of Montana. He is interested in helping MHS develop a partnering relationship and is interested in coming to the April Board meeting to talk about

partnerships. He has invited Richard to write an article in the university's magazine about the services offered by MHS. Denise stated everyone needs to be thinking of ideas on how we can help the future of MHS. This challenges all of us to grow memberships, subscriptions and use of MHS services already in the building.

Jim Murry emphasized that the \$66,000 figure is the shortfall that came with the last budget by the Legislature and explained that approximately \$60,000 is needed for the last half of the biennium.

Magazine Rate Increase

Denise asked Molly Holz and Kim Ramuta to discuss the proposed magazine and membership increase.

Molly Holz reported the last rate increase for a MHS magazine subscription was in 2001. Molly proposed that the subscription rate should be increased to \$35.00 for a one-year subscription and \$65.00 for a two-year subscription. Foreign postage rates need to be increased from \$8.00 to \$14.00. **Steve Lozar moved to accept the recommendations of a rate change by Publications. Crystal Wong Shors seconded the motion and it carried.** Kent Kleinkopf asked Molly Holz when the rate change would go into affect. Molly stated it would change in March.

Membership Rate Increase

Kim Ramuta submitted a chart outlining the proposed rate increase for membership. Kim suggested the MHS individual, family and explorer levels of membership be increased due to price increases in magazine subscriptions. She noted the present rates were instituted in 2002.

Ed Smith moved to accept the recommendations for a rate increase in membership presented by Kim Ramuta. Sharon Lincoln seconded the motion and it carried.

DIRECTOR'S REPORT-Richard Sims

Richard discussed the 5% general fund reduction request made to all state agencies by the Governor's office. The budget director has requested all state agencies submit their plans on operating with 5% less general funds by January 29th. Richard held meetings with Program Managers and staff. Ed Smith asked Richard what the exact amount of the 5% was. Richard responded that the amount is \$137,000 and that is the number we look to be doing without.

Strategic Plan

Richard announced that the strategic plan draft is 60% completed. It is a three-year plan which will become interesting due to budget austerities on one hand and the need to continue MHS dream of a new facility on the other hand. He asked Susan Near to comment. Susan stated this is the guiding plan restating our mission, vision, core beliefs, goals and objectives. In 2009, meetings were held to review the strengths, weaknesses and opportunities. Susan presented a draft plan to each of the Board members. This document will be essential for the capital campaign, MHS fund raising, the American Associations of Museums accreditation and for

MHS relationships and communications with State government. Susan asked the Board to review and comment on the draft. Revisions will be incorporated into the draft. The revised document will be placed on the agenda of the next Board meeting and the final copy will be approved at the July Board meeting. Richard commented that basically this is an institutional work plan. As it is updated year by year we will have a good view into the future for ourselves. This plan should go to the Strategic Planning Committee (the Committee is as follows: Crystal Shors, Janene Caywood, Jim Court, Ed Smith plus the Executive Committee members). Jim Murry noted the plan is an important tool. He said the Board has been active in the past stressing the need for the strategic plan and he congratulated Susan Near on her work finalizing the plan.

Indian Veterans Exhibit

Richard presented an update on the Indian Veterans exhibit, *Native Words, Native Warriors*. The exhibit has been traveling the country and will soon be in Helena. Richard said staff will examine the exhibit to see if anything needs to be corrected or added onto. He has had successful visits with seven of the eight tribal communities in regards to sponsoring this exhibit and hopes to travel to the Fort Belknap community soon. An exact travel schedule is still being worked out. Richard emphasized that this is an exhibit event that will be in a community for a few days rather than a few months. He stated additional funding is still needed. \$5,000 will come from the Smithsonian which will help travel the exhibit around and a major grant request has been made to the Wal-Mart Corporation. Richard stated he and Tom Cook hope to interest other veteran groups in supporting this project. He said ideally, at the minimum, \$3,000 or so from each tribal community would need to be secured. Richard further stated he is trying to do his best not to impact tribal budgets but there might be some tribes that can help out. Kent Kleinkopf asked if the exhibit will be at MHS for awhile. Richard stated that it would depend on the budget because MHS currently doesn't have exhibit space available. Helena would certainly like to have a big opening in the Rotunda and invite tribal leaders but the budget may not allow this. Perhaps as funding comes in, MHS could have a closing exhibit in Helena. Bill Mercer stated he will continue to explore venue possibilities in the Helena area. He announced that it may be possible to have the exhibit on a weekend in the MHS auditorium. Janene Caywood asked Richard if any of the \$25,000 has been committed. Richard stated only the \$5,000 from the Smithsonian has been committed. Steve Lozar said the tribes would be honored to come to the exhibit at no cost to MHS.

Richard reminded the Board they participated in an email vote that cleared the architects to continue finalizing the stationary model of the new Heritage Center. Work continues also on the computer animation video which gives the sense of life inside the buildings. The final report itself is being drafted by the architect team and the 20 page executive summary should arrive soon. Richard has asked Keith Ruppert, the lead architect, to attend the April Board meeting and give the final presentation.

Board Workshop

Richard said he was pleased that most of the Board was able to attend the Board training workshop with Dr. Russ Cargo from Carroll College. Janene Caywood stated the workshop was

very worthwhile and helpful for her because she is a new Board member and it helped stress the Board's responsibilities and duties. Jim Murry asked if the Board would like workshops in the future. Janene responded that the workshop helps the Board member evaluate what their strengths and weaknesses are and what areas need improvement. Crystal Wong Shors said it was a good way to start a thoughtful process of how members can contribute. Jim Utterback noted it would be helpful for the Board members to receive the meeting information ahead of time. It was agreed that the items needing action would be sent electronically ahead of the meeting to each Board member.

Nygaard Family Endowment

Richard announced the exciting news that Tom Nygaard, working with the Nygaard family, made a significant gift to the Montana Historical Society. Tom transferred to the Society, 320 acres of rolling high country, south of Interstate 90, almost directly across the road to Wheat Montana. The appraised value is \$1.4 million. After three years, the land will be put on the market. Tom expressed the desire that when the property is sold that this be the Nygaard endowment and be seen as part of the MHS larger capital and endowment campaign. Lee Rostad asked Richard if the property could be leased for cattle grazing. Richard stated he would like to explore the idea.

PRESIDENT'S REPORT-Jim Murry

Jim stated the April Board meeting will be held April 22nd and 23rd.

Election of Officers

Jim Murry announced that the Board is due to elect officers and appointed the following members to the Nominating Committee: Chair, Sharon Lincoln; Jack Lepley; Crystal Wong Shors; and Jim Murry. The committee will make nominations and hold an election at the April meeting.

Director's Evaluation

Jim Murry reported that the Executive Committee completed Richard's evaluation. The evaluation is in his personnel file in the office and any member wanting to review it would be welcome to do so. Jim thanked the committee and especially Crystal Wong Shors for her work on the evaluation process.

5% Budget Cuts

Jim discussed the difficulty in dealing with the 5% budget cuts noting that tough decisions have to be made. Dealing with the workforce fairly is a challenge. Jim said MHS has the best staff of any agency in State government and some of the most committed and bright people that care and want to share the dreams of the Society.

COMMITTEE MEETINGS

Jim Murry asked if anyone wished to report on their committee meetings. Lee Rostad stated she had a suggestion to see if the Legislature would pass legislation authorizing an Advisory Board. This Board would be separate from the Board of Trustees. Lee noted that The C. M. Russell

Museum in Great Falls has 60 people on their Advisory Board from all over the country and they support that museum very nicely. Jim referred Lee's suggestion to the Director and to the Executive Committee for consideration. Steve Lozar supported Lee's idea stating that 60 dedicated people on an Advisory Board would be great for the Society and it should be pursued.

Historic Preservation Committee

Sharon Lincoln reported that she and Janene Caywood met with Mark Baumler. Discussion was held on the possibility of charging a fee for some of the title searches that go through the State Historic Preservation Office. Mark presented a list to the committee members of people who come to his office for title searches. Some are state agencies, some are county offices and then there are private contractors who need the information before they can proceed with projects. She said fee schedules from other states were reviewed and it was found some states charge quite a lot and some don't charge anything. The committee's consensus was that private contractors should be charged a minimum of \$25.00. If it was an extensive search there may be an additional \$5.00 charge. Sharon explained that this proposal was brought to the Executive Committee and there was a question raised as to where the fees would go. Sharon said Denise and Richard will discuss the possibility of having those fees go to the Society rather than going to the Historic Preservation Office. Jim Murry asked Mark to supply the Board with a recommendation that would come to Richard and to the Executive Committee. Kent Kleinkopf asked what kind of revenue this proposal might produce. Janene Caywood responded that over the course of a year it might be as much as \$50,000. Jim Utterback requested research on why state agencies wouldn't be charged for this service perhaps on a sliding scale.

Museum Committee

Jack Lepley discussed a great concern he has with the building of the new Montana Heritage Center. He noted the importance of being able to move large items in and out of the galleries. He stated that architects are often more concerned about how things look rather than being practical. Jack gave an example of the Glacier Park exhibit currently on display at MHS, pointing out that a beautiful horse drawn coach should be in this exhibit but isn't on display because it can't fit through the doors. Jack said he sensed concern on the part of staff for this subject. Richard stated this concern has been shared by many throughout the planning of the new building and it has been addressed. Jack said he has heard the 10 x 10 x 10 cube discussed but he doesn't see that it applies to the remodeling of the present MHS building. Kent Kleinkopf said staff commented that there seemed to be somewhat of a communication breakdown between what the architects promised they would take into consideration and what the final plans look like. The concern is the size of the elevator capability in this building getting down to the level where large exhibits can be transported back and forth to the new building without having to dismantle them. Kent noted that it isn't so much a problem with the proposed new building as it is with the remodel of this building. Richard responded that no matter how much renovation is done on the current building there will be inherit and sustained certain limitations. The architects are aware of the movement of large objects. The work that is finished currently, by the architects, is the schismatic design and there is a long way to go from the blue print construction documents. These concerns will be kept in mind over the next few years. Jack stated he wants

to see coaches, wagons and combines brought into the Homeland Gallery. These vehicles are part of our heritage. Richard said the architect team has given a lot of thought to this issue. The lead architect team will be at the April Board meeting to deliver the final products. Steve Carney reiterated Jack's concerns noting that Montana is an agricultural state.

Director's Report continued

Fund Raising Campaign

Richard presented copies of the Capital Campaign Structure for the Montana Heritage Center. He explained that his theme for this structure is broke down into "circles of giving". He highlighted the various circles explaining the goals to be set by each. Richard stated many institutions continue with their dream, continue with their building projects even in times of austerity, noting that general fund is one kind of money but private sector is another kind of money. Richard asked for any thoughts on this outline from the Board. As a part of campaign readiness, Richard asked the Board to consider and approve the hiring of a campaign consultant. At the July Board meeting in Butte, the Board approved the use of ½ of the Bair Trust to be applied to support a staff position and related expenses for a two year start up effort. Those involved in this endeavor will remember that person was not found at the salary advertised. Richard suggested the Board keep the \$200,000 in mind as the general campaign expenses for two to four years and that a Request for Proposals (RFP) be advertised for a professional fund raising consultant. The person may or may not be a resident of Montana but they will provide the focus, the expertise and the larger web of connections. Richard asked the Board for a motion to continue the use of the Bair Trust money to hire an outside consultant. Jim Murry mentioned that the Executive Committee was unanimously in support of this recommendation.

Ed Smith said the next two years for State and Federal Governments is going to be very bleak with across the board cuts. His concern, even in good times, is the hiring of consultants. He emphasized that the money the Society has must be directed to maintain what the Society currently has. Ed said the plan is good but he sadly thinks efforts must be directed to maintain the great staff already in place. He suggested putting this hiring on hold unless there was an endowment from an outside group that would pay for the position.

Sharon agreed with Ed that times are tough but if the money was taken from the Bair Trust it won't impact the employees at all. She stated if the Board waits two years, it could lose the backing from the Governor and the Legislature which is critical to this venture. Sharon commented that waiting two years is not a good idea. **Sharon moved that an RFP be sent advertising for a fund raising consultant for the new Heritage Center. Lee Rostad seconded the motion.** Richard Sims responded to Ed's concerns stating that the Bair Trust is private money and is not a remedy to the 5% reduction in the general fund. Staff does understand that the Society needs to be seen as an investment worthy institution. Kent Kleinkopf said the Board must take the long view keeping in mind the Heritage Center must be built for future use. Jim Utterback stated the Board needs to do the planning and get ready for the 2011 Legislature. He suggested limiting the scope of the outside consultant but stressed the

importance of a consultant in order to get ready for the Legislature. **Jim Utterback moved the question. The motion carried with Ed Smith and Steve Carney voting no.**

PROGRAM MANAGERS REPORTS

OUTREACH AND INTERPRETATION PROGRAM REPORT-Kirby Lambert

Kirby announced that Diane Sands would like to speak on the subject of the History Conference.

History Conference-Diane Sands

At the July, 2009 meeting the Board voted, due to financial constraints, to keep the History Conference in Helena. Diane Sands called Kirby asking that the History Conference come to Missoula. Kirby asked Diane to speak to the Board. He introduced Diane as a member of the Legislature and stated she is also on the staff of the Historical Museum in Missoula. Diane discussed the potential of having the History Conference come to Missoula in 2011. She stated she is here on behalf of the Historical Museum in Missoula as well as the University of Montana. The University of Montana and Historical Museum have a memorandum of agreement to work together for the preservation and interpretation of the history of Ft. Missoula as an alien detention camp in World War II. Diane presented a brief report. This is the only existing interment camp from WWII that is intact. The MOU that was signed included the idea of having a major conference in the fall of 2011. Diane said it would make sense to partner on a conference in Missoula. One of the grants she will be writing this fall will be to the Institute of Museum and Library of Sciences and she would write the conference into the grant as one of the activities. Diane said there are foundations that would support and fund a conference related to this topic. She urged the Board's support and consideration of actually delaying the idea of always keeping the conference in Helena and perhaps moving it to Missoula for 2011. The population of the university students that would be required to come would be another constituency that would be involved in this conference. Jim Murry suggested this item be referred to the Director and to the Executive Committee. Kent Kleinkopf commented that it has been said that it costs approximately \$10,000 to put on a conference, which pays for the conference but it doesn't make any money for the Society. A prestigious conference like the one being proposed by Diane Sands would easily make more than \$10,000. Jim Utterback reminded the Board that when staff leaves town the Society loses money. Diane commented that she can underwrite this in various ways with grants. She stressed that she has a November deadline. Kirby said a decision needs to be made in order to secure the facilities. Jack Lepley said as a Historical Society we need to be involved especially in statewide activities. **Jim Utterback moved to support partnering with the Historical Museum at Fort Missoula in the grant writing process in order to provide funding for a History Conference in Missoula. Lee Rostad seconded the motion and it carried unanimously.**

MUSEUM PROGRAM-Bill Mercer

Loan Renewal

Bill presented a letter of re-application renewal for the loaned 40 objects to the C. M. Russell Museum. The museum originally asked for a long term loan of the items for their buffalo exhibit but staff and Bill preferred that the items be renewed on an annual basis. This is the first

renewal of this particular loan for one more year. Bill recommended the Board's approval. Lee Rostad asked Bill if there was acknowledgment of ownership on the loaned items and Bill responded that there were. Discussion took place on the fact that there is not acknowledgement of ownership on the back bar being displayed at the C. M. Russell Museum. Lee Rostad questioned Bill in regard to why an acknowledgement of ownership is not on the back bar. Bill stated there seems to be an historical issue in regard this item. Consensus of the Board and staff was to bring the back bar from the Mint Bar on Main Street, Butte, back to Helena. Lee Rostad questioned the funeral carriage ownership displayed occasionally at the C. M. Russell Museum and Kirby Lambert stated that belonged to Virginia City. **Jack Lepley moved the re-application renewal for the loaned 40 objects to the C. M. Russell Museum. Janene Caywood seconded the motion and it carried.**

Jay Laber Sculptural Art

Bill presented a proposal for the Board's consideration on the purchase of a major sculptural piece of art by Blackfeet artist Jay Laber titled *Warning Road Hazards Ahead*. This piece depicts a dramatic altercation between a buffalo and Indian rider on horseback. Price for MHS is \$18,000. The funds for the purchase would come from the Western Rendezvous of Art fund, a fund created exclusively for the purchase of artwork for MHS collections. The fund contains a sufficient amount for purchasing this piece of artwork. Bill discussed possible locations for placement of the art. He stated the location would have to be approved by the campus grounds committee before the art was installed. **Steve Lozar moved the purchase of the Jay Laber sculptural art piece titled *Warning Road Hazards Ahead* with funding for the piece coming from the Western Rendezvous of Art fund. Sharon Lincoln seconded the motion and it carried unanimously.**

PUBLICATIONS-Molly Holz

Molly announced that the winter magazine has been mailed and should be in everyone's mailboxes by now. Molly introduced a new book titled *The Red Corner* which is the story of the radical farmers movement in Sheridan County, Plentywood, Montana focusing on the *Producers News* which for two years in the 30's was the official newspaper of the communist party. The book is fully funded and will be published in mid-March. Another book coming out in the summer/fall is *Montana Moments* which is a light book of short histories by Ellen Baumler. Molly reported she is working on next years calendar and it will highlight Montana folks at work. It will cover agriculture, mining, and teachers. The calendar layout will be done by February 2nd. Molly announced that additional advertisers for the spring magazine are needed. Ed Smith commended Kirby Lambert and Molly Holz for the great article in the magazine on the struggle to get the Charlie Russell sculpture in statuary hall. Lee Rostad commended Molly Holz on what a great job she does on the magazine.

RESEARCH CENTER-Molly Kruckenberg

Molly explained that the place name data base will be available January 27th which is the 145th anniversary of the founding of the Historical Society. She presented the deaccession list noting that most items were duplicate State publications and a number of items that are related to the

universities are being transferred to them. Those items relating to the universities are indicated on the list with a # sign. **Jim Utterback moved to approve the deaccession list. Ed Smith seconded the motion and it carried unanimously.**

STATE HISTORIC PRESERVATION OFFICE-Mark Baumler

Mark stated he wanted to take this opportunity to update the Board on the one of the newest programs in the Society, the Centennial Farm and Ranch Program, established in the last session of the Legislature, to be organized and implemented here at the Society. John Boughton said there has been a tremendous response to this program. There are about 150 people inquiring about the program. He reported the application is on line in the PDF format. One application has been returned so far. Tom Cook said almost every newspaper in the state has run a story on the program. Tom worked with the Governor's Office and got the program information into all of the Native American publications and in the tribal councils. Ellen Baumler stated that there was an AP article done which went out nationally and one of the ranchers who was interviewed for that particular article said he has had calls from five different states. Richard Sims commented that relating to this subject, the Stockgrowers Association just came out with their history and genealogy book on their centennial families and MHS hopes to capture a lot of those families for this program as well.

PUBLIC COMMENT:

None

UNFINISHED BUSINESS:

Lee Rostad mentioned that she and Bob Morgan continue to discuss the creation of a catalog for the Russell collection here at MHS, since this is the only major Russell collection that does not have a catalog. She explained that Bob feels it should be a catalog and also a biography and he says it will make money. Lee asked if private funding was sought and volunteer writers were located would MHS consider taking on this project. Jim Court asked Lee Rostad how much money this project would require. Molly Holz said a budget was drawn up for this about four years ago and at that time it was about \$250,000. That included writing, images, printing and some production time. Molly agreed with Lee that this would be a beautiful book and important to the Society and MHS would love to do it but it would have to be funded. Jim Murry asked Molly and Lee to work on the idea and bring information to the Executive Committee for discussion and recommendation. Lee said this would be an excellent tool for fundraising for the new building.

Ed Smith asked Richard Sims what the security situation for the building is at this time. Richard stated we have three full time security guards which is down from 4.5 FTE when he started at MHS three years ago. Hiring a 0.5 position is being discussed. The guard force has been enhanced by the new relationship with Capitol security which conducts a night patrol of this building. Surveillance technology continues to improve both here and at the Original Governor's Mansion.

Janene Caywood asked about the process and timing of the Heritage Keepers awards. Richard stated there is a committee that reviews the applications. He said the second round of Heritage Keepers awards could be announced by Tom Cook getting out a press release. Sharon Lincoln suggested the form and notification information be put on the MHS website. Janene questioned if the nominations needed to be in for the April meeting.

Adjournment: Steve Lozar closed the Board meeting with a prayer. Adjournment was at 12:18 p.m.